

WaiversFirst Name Last Name Claim Number  
[REDACTED] [REDACTED] W-19-0003  
Amount OGC Received Date Assigned To Assigned Date  
\$3554.76 03/26/2019 Kenneth Redden 03/27/2019  
EPA Decision EPA Decision Date Amount Approved Status  
DENIED 07/08/2019 CLOSED  
Appeal Comments  
No From: Redden, Kenneth  
Sent: Monday, July 08, 2019 12:19 PM  
To: [REDACTED]  
Cc: Elliott, Kechi P. <Elliott.Kechi@epa.gov>; Sisson, Ann  
<Sisson.Ann@epa.gov>; robin\_koch@ibc.doi.gov; matthew\_neyer@ibc.doi.gov  
Subject: Waiver of Indebtedness Application (W-19-0003) (Debt ID:  
90710258412)

[REDACTED]

This email is in response to your “Waiver of Indebtedness Application” (W-19-0003) dated March 18, 2019, wherein you have requested approval of a waiver of debt in the amount of \$3,554.76. For the reasons set forth below, your request for a waiver is denied.

#### Background

On September 2, 2018, a Standard Form 50 (SF-50) was issued by the Agency which changed your grade and step from a GS-14, Step 5 to a GS-13, Step 10. The SF-50 however failed to change your duty station from [REDACTED]. This resulted in an overpayment in your wages because the locality pay for [REDACTED] is higher than the locality pay for [REDACTED]. This in turn impacted your local and state tax withholdings.

The first Earnings and Leave Statement (ELS) that indicated this error was issued on September 25, 2018. Immediately upon becoming aware that there was an error on your SF-50, you emailed your supervisors on September 28, 2018 to inform them of the issue. After that email, both you and your supervisors made several attempts to rectify the situation with various Agency officials. An SF-50 correcting the duty station error was finally issued on February 21, 2019.

On March 11, 2019, the Interior Business Center (IBC) at the Department of Interior sent you a Bill for Collection (Debt ID: 90710258412) stating that you owe a debt of \$3,554.76 for salary overpayments in pay periods 20 through 27 in 2018 and 01 through 04 in 2019.

In response to the Bill for Collection, you timely submitted a request for

a waiver dated March 18, 2019. In support of your application, you state that you made every effort, both timely and diligently, to bring this matter to the attention of the appropriate agency officials for immediate correction and that collection of this bill would be against equity and good conscience.

#### Analysis

Under 5 U.S.C. § 5584, I have the authority to waive claims for overpayments of compensation and allowances if collection would be against equity and good conscience and not in the best interests of the United States. "Such authority may not be exercised if there is an indication of fraud, misrepresentation, fault, or lack of good faith on the part of the employee or any other person having an interest in obtaining a waiver of the claim." B-231018 (August 2, 1989). In the present case, I find that the overpayments were caused by Agency administrative error and not due to fraud or misrepresentation on your part.

Generally, an employee who knows or reasonably should have known that he or she was overpaid should be prepared to repay the debt and it is not against equity and good conscience to collect. B-227322 (September 19, 1988). The employee is generally deemed to be at fault in those situations. B-271308 (April 18, 1996).

The next question is whether you were aware or should have suspected a pay error based upon information available to you. As you admit in your request for a waiver, you realized the error in question as soon as it was reflected in your ELS that was issued on September 25, 2018 and emailed your supervisors on September 28, 2018.

Employees who are aware of receiving erroneous overpayments not only have a responsibility to notify responsible agency officials, but also should "be prepared to make repayment upon correction of the error; the employee cannot reasonably expect to retain the overpayments." B- 256828 (August 2, 1994) citing B 234731 (June 19, 1989); B 227322 (Sept. 19, 1988).

Based on the discussion above, I find that it is not against equity and good conscience to collect the \$3,554.76 that your Bill for Collection states that you owe. Accordingly, your waiver request is denied.

I trust this email is responsive to your claim, and I am sorry a more favorable reply cannot be made. Under 40 C.F.R. part 13.11(e)(iii), I have the delegated authority to waive all or part of the interest, penalty, and administrative charges which have accrued on this debt. In this regard, I am directing that EPA waive any portion that may have accrued that is attributable to interest, penalty, and administrative

charges.

By copy of this email to Kechi Elliot in EPA's Las Vegas Finance Center, I am advising that collection of this debt should proceed consistent with this email. You have the right to request reconsideration of the denial of the claim. In a request for reconsideration, you must present new factual information that might cause the Claims Officer to overturn the prior decision.

Please be advised that a waiver is one of several options for debtors. EPA will notify you of the opportunity to request a compromise, suspension, or termination of your debt based on factors that include inability to pay.

Type  
Locality Pay

Attachments